

STATE OF IOWA
PROPERTY ASSESSMENT APPEAL BOARD

Donald Bell,
Petitioner-Appellant.

v.

Sioux City Board of Review,
Respondent-Appellee.

ORDER

Docket No. 11-107-1442
Parcel No. 8947-35-226-002

On May 14, 2012, the above-captioned appeal came on for consideration before the Iowa Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2)(a-b) and Iowa Administrative Code rules 701-71.21(1) et al. Petitioner-Appellant Donald Bell requested his appeal be considered without a hearing and submitted evidence in support of his petition. He was self-represented. City Attorney Jack A. Faith is counsel for the Board of Review. It submitted documentary evidence in support of its decision. The Appeal Board now having examined the entire record, and being fully advised, finds:

Findings of Fact

Bell, owner of property located at 4201 Green Avenue, Sioux City, Iowa, appeals from the Sioux City Board of Review decision reassessing his property. According to the property record card, the subject property consists of 0.661 acres improved only by a 264 square-foot, bunkered, brick garage built in 1940 with 60% physical depreciation. An old dwelling had been on the site but was demolished in 2007; for this reason the assessor considered the property a “finished lot” for assessment purposes.

The real estate was classified as residential on the January 1, 2011, assessment and valued at \$24,200, representing the \$22,400 land value and \$1800 in improvement value.

Bell protested to the Board of Review on the ground that the property is assessed for more than authorized by law under Iowa Code section 441.37(1)(b). He claimed \$12,500, allocated \$500 to building value, and \$12,000 to land value, was the actual value and a fair assessment of the property as of January 1, 2011. The Board of Review denied the protest.

Bell then appealed to this Board with the same claim and seeking the same relief.

Bell reports the property has been for sale for \$15,000 for the last ten years, and the most he has been offered is \$10,000. The garage is old, leaks, and needs to be torn down. Bell reports the property does not have sewer service available, and is not connected to gas, water, or electric.

The Board of Review offered an appraisal completed by the assessor's office. It describes the subject site as a relatively flat to moderately sloped site with an approximately eight-foot rise from the southern border. The 0.661 acre subject parcel (8947-35-226-002) is adjacent to another 0.433 acre parcel (8947-26-400-013). The report explained the parcels were valued together as 1.094 acres to provide the advantage of diminishing returns. Because an uninhabitable residential structure was razed in 2007¹, the site is considered a finished lot. The driveway remains and is in poor condition. Access to the property is by paved, city streets, and it has city services available.² The report indicates the assessed value of the land was \$8000 in 2010. There is no explanation of why the land assessment substantially increased to \$22,400 in 2011. The information is summarized in the following chart.

Subject Parcel	Square Feet	Unit Price	Value	Rounded	\$PSF
Primary Site Value	20,000	\$1.03 ³	\$ 20,600		
Secondary Land Value	8,814	\$0.20	\$ 1,763		
Total	28,814		\$ 22,363	\$ 22,400	\$ 0.78
Secondary Parcel	Square Feet	Unit Price	Value	Rounded	\$PSF
Secondary Land Value	18,873	\$0.20	\$ 3,775	\$ 4,000	\$ 0.20
Combined Valuation	47,687			\$ 26,400	\$ 0.55 ⁴

¹ The appraisal summary indicates the old dwelling was razed in 2008; however, the demolition permit was issued in July 2007 and the improvement value was reduced from \$11,700 to \$2800 for the January 1, 2008 assessment.

² Bell reports the site is not connected to utilities; however, the appraiser reports city services are available at the site.

³ The appraisal summary reports a primary site value unit price of \$1.13 per square foot.

⁴ The appraisal summary reports a combined parcel aggregate rate of \$0.505 per square foot.

The appraisal reports there were insufficient sales in Sioux City in the last five years to establish land values. In the absence of sales, the assessor analyzed improved property sales and used the land residual method for determining land values. Since there were no improved sales in the Bacon Creek neighborhood where the subject property is located, the assessor used improved sales from three other city neighborhoods. The report notes the subject property's neighborhood is inferior to Morningside NE and Greenville. In the assessor's opinion, it is more similar to the East Terrace neighborhood. According to the report, the lowest residual rate for platted land in the city was \$0.64 per square foot and the subject parcel considered alone, not in combination with the adjacent parcel, is valued at \$0.78 per square foot. The appraisal included the following data.

Neighborhoods	# of Sales	Average Sale	Average Improvement Value	Land Residual	Average Lot Size	Land Residual PSF
Greenville	14	\$63,164	\$50,643	\$12,521	7214 SF	\$ 1.71
East Terrace	5					\$ 0.72
Morningside NE	49					\$ 1.71
Bacon Creek	0					
Subject Property	0			\$24,200	28,814 SF	\$ 0.78

While we are uncertain why the subject property's land assessment increased by 180% from 2010 to 2011; Bell failed to provide any evidence to support his over-assessment claim. The Board of Review's appraisal indicates the subject property is assessed within the range of similar building sites and supports the assessment.

Conclusion of Law

The Appeal Board applied the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2011). This Board is an agency and the provisions of the Administrative Procedure Act

apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. *Id.* "Market value" essentially is defined as the value established in an arm's-length sale of the property. § 441.21(1)(b). Sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* If sales are not available, "other factors" may be considered in arriving at market value. § 441.21(2). The assessed value of the property "shall be one hundred percent of its actual value." § 441.21(1)(a).

In an appeal that alleges the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(b), there must be evidence that the assessment is excessive and the correct value of the property. *Boekeloo v. Bd. of Review of the City of Clinton*, 529 N.W.2d 275, 277 (Iowa 1995). Bell did not submit any evidence to support his claim that the property is assessed for more than authorized by law as of January 1, 2011. The Board of Review's appraisal was the most credible evidence in the record and supported the assessment.

Viewing the record as a whole, we determine that the preponderance of the evidence does not support Bell's claim of over-assessment as of January 1, 2011. Therefore, we affirm the assessment of Bell's property located at 4201 Green Avenue, Sioux City, is \$ \$24,200, representing the \$22,400 land value and \$1800 in improvement value, as of January 1, 2011, as determined by the Board of Review.

THE APPEAL BOARD ORDERS that the January 1, 2011, assessment as determined by the
Sioux City Board of Review is affirmed.

Dated this 11 day of June 2012.

Jacqueline Rypma
Jacqueline Rypma, Presiding Officer

Richard Stradley
Richard Stradley, Board Chair

Karen Oberman
Karen Oberman, Board Member

Copies to:
Donald Bell
2221 Dupont Street
Sioux City, IA 51104
APPELLANT

Jack A. Faith
705 Douglas Street
Sioux City, IA 51101
ATTORNEY FOR APPELLEE

Certificate of Service	
The undersigned certifies that the foregoing instrument was served upon all parties to the above cause & to each of the attorney(s) of record herein at their respective addresses disclosed on the pleadings on <u>6-11</u> , 201 <u>2</u>	
By:	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> FAX
	<input type="checkbox"/> Hand Delivered <input type="checkbox"/> Overnight Courier
	<input type="checkbox"/> Certified Mail <input type="checkbox"/> Other
Signature	<u>[Signature]</u>